



COUNCIL AGENDA: 05-10-05

ITEM: 2.11

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: James R. Helmer

SUBJECT: AMENDMENT TO AGREEMENT
WITH GARTNER, INC.

DATE: May 3, 2005

Approved

Date

5/6/05

REASON FOR ADDENDUM

This addendum is necessary in order to secure the recommended services in a timeframe that accomplishes as much work as possible prior to the move into the New City Hall, and to assist City staff in ensuring a successful transition to the converged network and server consolidation.

RECOMMENDATION

Adoption of a resolution authorizing the City Manager to execute an Amendment to the Agreement dated October 14, 2004 between Gartner, Inc. and the City of San Jose to add additional technical services related to the New City Hall Converged Network, and additional procurement and technical services related to Server/SAN, and to increase the maximum compensation by \$256,000 from \$420,000 to \$676,000.

BACKGROUND

On October 12, 2004, Council approved an agreement with Gartner, Inc. in the amount of \$365,226 for technical and procurement services related to the New City Hall Converged Network RFP and \$54,774 for additional services related to Server/Storage Area Network (SAN) procurement.

On December 1, 2004, the City successfully released the RFPs for the converged network and Server/SAN. On January 25, 2005, Council approved the rejection of the sole respondent in the Server/SAN RFP. On February 15, 2005, the Council approved a strategy that separated the procurement process into two distinct, but parallel phases, server procurement and SAN procurement. The server procurement phase was completed on April 19, 2005, in which Council approved the purchase of 45 new servers. Staff is currently preparing for the re-release of the SAN RFP.

On January 25, 2005 the City Council directed the City Manager to review technology related purchases over \$1,000,000 in regards to implementation and management.

On March 15, 2005, Council approved an Agreement with Nortel, Inc for the purchase and installation of the converged network. Gartner has provided the City with invaluable assistance in the project plan, procurement process, RFP releases and vendor selections within the required timeframe to remain on target for our move-in schedule.

ANALYSIS

Converged Network Services:

As the City enters into the Converged Network implementation phase, staff recommends retaining Gartner for the following services:

- Contract Compliance
- Risk Mitigation
- Quality Assurance
- System Test and Acceptance
- A comprehensive review and recommendation of staffing and support funding related to ongoing maintenance of the system after expiration of the 1 year managed services agreement.

The recommended services will enhance staff's ability to ensure that the installed Nortel Networks converged network meets acceptance criteria for installation as well as ongoing managed services. This scope also supports the Council-directed assessment of staff expertise and resource requirements for future system administration at the conclusion of the first-year managed services contract with Nortel Networks. This additional work falls within "post award services" envisioned through the RFP and contract awarded to Gartner on October 12, 1994.

Storage Area Network (SAN) Services:

On January 25, 2005, Council approved a recommendation to reject the sole proposal for the consolidated server and storage (Server / SAN) solution for the New City Hall and authorized the City Manager to re-issue the RFP.

With the change in procurement strategy, staff recommends engaging the services of Gartner to focus on the following:

- Project Plan and Management review
- Detailed analysis of the City of San Jose's mission critical data
- Develop a comprehensive set of evaluation criteria
- Assist in the oversight of the procurement process
- Assist in contract negotiations

- A comprehensive review and recommendation of staffing and support funding related to on-going maintenance of the system.

Based on rescheduling and re-scoping of the SAN procurement, staff has negotiated with Gartner a change order for completion of the required services.

OUTCOME

Further consultation services by Gartner will provide the City with oversight of the converged network installation, risk analysis, and assistance in the procurement/contract negotiations of the SAN purchase.

COST IMPLICATIONS

This Council item is consistent with General Principle #2, "We must focus on protecting our vital core city services," and Item #7 "We must continue to streamline, innovate, and simplify our operations...so that we can deliver services at a higher quality level, with better flexibility, at a lower cost."

BUDGET REFERENCE

Fund	Appn.	Appn. Name	Total Appn.	Amount of Contract	2004-2005 Adopted Capital Budget (Page)	Last Budget Action (Date, Ord. Number)
473	5152	Technology, Furniture and Equipment	\$37,242,422	\$256,000	Page V-1127	10/12/2004, 27267

PUBLIC OUTREACH

The RFQ was posted on the City's Bid Line and the DemandStar system.

COORDINATION

This memorandum has been coordinated with the City Manager's Budget Office, Finance Department and the City Attorney's Office.

James R. Helmer

Interim Chief Information Officer